

THE
AIMS AND OPERATION
OF THE
INSTITUTE
OF
Chartered Accountants
OF ONTARIO.

AN ADDRESS IN CONNECTION WITH THE
NEW BY-LAWS OF THE INSTITUTE,
BY

HENRY LYE, F.C.A.

READ AT TORONTO, BOTH MORNINGS, 1896, AT THE MONTHLY MEETING OF THE
INSTITUTE, IN ASSOCIATION HALL.

"THE NEW BY-LAWS OF THE INSTITUTE"
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INSTITUTE

OF

Chartered Accountants of Ontario.

Incorporated by Statute of Ontario, 46 Vic., Chap. 64.

In November, 1879, some of the principal Accountants and Book-keepers of Toronto united for the purpose of forming an association of persons occupied in the various branches of accountancy, and in December following the

INSTITUTE OF ACCOUNTANTS AND ADJUSTERS OF ONTARIO was organized. A constitution and by-laws were adopted and the Institute held regular meetings and largely increased its membership.

It originally consisted of two classes, viz., Members (including Fellows holding a Diploma) and Associates.

In March, 1882, the late Mr. S. B. Harman, City Treasurer, was elected President, and in the season of 1882-83 an Act was passed by the Legislature of Ontario incorporating the

INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO.

During the past year a general revision has taken place, and the following extracts will indicate the general scope of the amended by-laws :

1. The Institute of Chartered Accountants of Ontario shall consist of its members, and may admit to affiliation educational institutions for the purpose of promoting the study and practice of accountancy.
2. The Council of the Institute, however, may also admit to certain privileges hereinafter provided, associates and associate students.
3. The members of the Institute shall consist of two classes, viz. : Those who are or shall become Fellows of the Institute, and those who have or shall obtain the Institute's Certificate of Competency as Accountants, with authority to use the title of "Chartered Accountant."
4. Persons who are in sympathy with the educational objects of the Institute and desire to promote those objects by their influence and subscriptions, may become Subscribers.



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5. The Associates shall consist of those who have passed the "intermediate" examinations from time to time prescribed by the Council.

6. The Associate Students shall consist of persons who have passed the primary examinations prescribed by the Council, and of persons who, having signified their desire to study the science of accounts and to submit to the tests and examinations so prescribed, have been approved as Student Associates.

7. Student Associates may study either privately or under the direction of a member of the Institute.

8. Educational Institutions having special branches devoted to the study of accountancy, may become affiliated with the Institute on such terms and conditions as the Council may prescribe.

9. The Council may, from time to time, further extend the operations of the Institute as opportunities may be presented, for the furtherance of the objects set forth in the Charter.

The Presidents since incorporation have been successively :—

J. J. MASON	- - - - -	Hamilton
WM. MCCABE	- - - - -	Toronto
E. R. C. CLARKSON	- - - - -	"
W. F. FINDLAY	- - - - -	Hamilton
J. T. MOORE	- - - - -	Toronto
H. W. EDDIS	- - - - -	"

OFFICERS :

The present Council consists of :—

H. W. EDDIS	- - - - -	<i>President</i>
R. T. COADY	- - - - -	<i>1st Vice-President</i>
HENRY LYE	- - - - -	<i>2nd Vice-President</i>
F. S. SHARPE	- - - - -	<i>Secretary-Treasurer</i>

COUNCIL :

WM. ANDERSON	- - - - -	Toronto
GEO. EDWARDS	- - - - -	"
L. GOLDMAN	- - - - -	"
O. M. HUDSON	- - - - -	"
ROB. JENKINS	- - - - -	"
ALFRED JEPHCOTT	- - - - -	"
J. W. JOHNSON	- - - - -	"
JOHN T. MOORE	- - - - -	"
JOHN M. MARTIN	- - - - -	"
WM. MCCABE	- - - - -	"
WM. POWIS	- - - - -	"
HUGH SCOTT	- - - - -	"
F. S. SHARPE	- - - - -	"
H. S. STRANGE	- - - - -	"
G. W. JOHNSON	- - - - -	Belleville
J. J. MASON	- - - - -	Hamilton
W. F. FINDLAY	- - - - -	"
G. F. JEWELL	- - - - -	London

THE
Institute of Chartered Accountants
OF ONTARIO.

OF what possible use can the Institute of Accountants be to those who are established in practice and confirmed in reputation as efficient and reliable public accountants?

In what manner can the expert accountant, who is fully employed and whose business is fairly assured, be benefited by any organization of which he may become a member?

Is it not to the interest of such an accountant that he shall stand aloof—calmly surveying the turmoil and troubles of men, whose inefficiency or misconduct make work for the expert accountant, and make the profession of accountancy a necessity?

Why then do the public accountants of known character and efficiency unite in the formation and operation of the Institute of Accountants?

Does this Institute form a close corporation, or ensure a high rate of fees to its members? or is it solely a corporation of those who are skilled in accounts for the benefit of those who are not?

I think it will be conceded that he who instructs a rival must necessarily subject himself to the injurious consequences of that rival's competition, and that in the earlier stages of that competition, the rival will be more desirous of clients, with a view to future advantages, than of present fees, which would force a contrast to his disadvantage, as it is natural to suppose that, at the same cost, any one will prefer efficiency plus experience, before presumed efficiency without the experience.

In the same manner will he who instructs a rival subject himself, for some time, to all the injurious consequences of that rival's competition, if the rival thus instructed grasps the immediate and temporary profits of "complaisance" for the purpose of holding and increasing his *clientele* instead of retaining his integrity and bearing the presently unprofitable consequences of non-compliance with the erroneous views or the improper desires of his clients.

Therefore I think we may consider it as established, that the Institute

of Accountants of Ontario is formed and operated for the public good, and for the benefit of those whose successful competition must be at the expense and to the detriment of those who constitute its present membership.

This then gives us a right to the approbation of the financial public and to the respect of those who purpose entering the field in competition with us.

This then entitles us to the subscriptions of those who recognize the fact that most of the disasters of mercantile and financial circles arise from inefficient or from dishonest accounting, and it is on this account we confidently go before the merchants and bankers and financiers, as properly entitled to receive and make use of their subscriptions for the purpose of carrying out the objects of the Institute, which are set forth in the Charter as "an intellectual and educational movement to raise the standard of accountancy," "and to promote and increase by all lawful means the knowledge, skill and proficiency of its members in all things relating to the business or calling of an accountant."

To this "proficiency" we endeavor to add reliability, or we would not dare to challenge the criticism, or to claim the support and subscriptions of the public.

Let us for a moment contemplate the position with a view to considering the necessity for any movement to raise the standard of accountancy on this continent or in this province.

We, who with a languid sort of curiosity look upon the published reports of the incorporated companies, of the various municipalities and of the governments, know that a very large proportion of these reports are specially designed for the purpose of concealing the facts, instead of being for the better purpose of giving full information.

The grouping of incongruous items, the consolidation of assets bearing different proportionate values, and the insertion of balances of diverse accounts, instead of the clear statement of the debits and credits, are designed for the purpose of preventing their constituents, their shareholders, their rivals and the public from all knowledge of the real working of their institutions, and yet we, day by day, see these reports, so prepared, vouched for by persons who subscribe themselves as auditors and accountants, to the infinite disgust of those who believe the duties of an auditor to be of more consequence than his fees.

The theory of accounting and auditing is the faithful record and the plain exposition of facts. The theory of the management of too many public companies is that the shareholders and directors should place implicit confidence in their manager, and that they should not in any manner question or interfere in his views and instructions; consequently it is too often the case that an auditor is selected who will carefully refrain from criticism of methods of accounts which the book-keeper or accountant has followed solely in compliance with instructions, although against his conscience and better knowledge.

In most of our municipalities the auditing is of the most perfunctory

and delusive description ; even when it happens that the auditors are competent, as is seldom the case, they are painfully aware of the fact that the treasurer does not keep proper books of account, or does not keep his accounts distinct from each other, or, whilst occupying several positions of trust, does not keep the funds distinct from each other, or that he uses the moneys of the municipality for his own private purposes ; yet these auditors complain not, nor find fault, because somebody is always somebody's cousin or wife, or somebody is a good fellow anyway, or he is a fighting man who would sue them for libel or annoy or injure them in some other manner.

The natural consequences are confusion, temptation, defalcation and increased taxation. This increased taxation costs the municipality more than the most expensive system of independent audit which could be devised ; just as the compliant or complaisant auditing of the accounts of public companies promotes looseness and conceals defects of management, which costs the shareholders very much more than either an efficient audit or a change of managers would do.

"Trust me all in all or trust me not at all," is a very fallacious motto, because no human being is perfect, yet we have assumptions of infallibility which are carelessly conceded, and we hear angry denunciations of those who dare to question or to criticise, with an almost certain dismissal of the auditor who is so courageous or so conscientious as to insist that the reports of public companies shall contain the truth, the whole truth and nothing but the truth, stated in such manner that all who are interested may be able to understand them.

But many of these defects arise from want of information and adaptability. For instance : A young man carefully studies book-keeping as set forth in somebody's treatise, and then takes hold of a set of books which have been designed by an antediluvian who faithfully journalized the entries in the cash book and in other ways conducted his accounting according to the most complex methods ; the business increases and in many respects changes its character ; the young book-keeper has only one set of ideas bounded by the contents of the treatise he has studied, and these further restricted by the respect he has for his ancient predecessor and the conservative views of the manager, who knows that "the old man" was as regular, as faithful as the sunrise and as reliable as the sunset, to which he might add, as continuous in his labors and as unadaptable to new methods as is the earth in its journey round the sun.

Let such a book-keeper once get into confusion and he is overwhelmed with despair. Let him once be overcome with the accumulation of labor and he will have before him the choice of three or four courses. First, to resign, with the stigma of incompetency. Second, to employ an assistant and be in hourly fear of errors and omissions. Third, to destroy his health and life by attempting to accomplish by means of longer hours, increased exertion and borrowing Sundays, that which he is unable to perform ; or, fourth, to call in an experienced expert accountant to remodel his system of accounting.

If he adopts the latter course his labors will be either decreased or divided, so that, with a light heart and an easy mind, he may continue his labors, whilst his employer will retain the services of a faithful and reliable accountant, who will be stimulated to join this Institute in order that he may exchange views and ideas with the members, who being thrown day by day into contact with difficulties and remedies, increase their own efficiency by learning some new idea or some new danger, and some new method, from the expedients which have been adopted, sometimes with good intentions and sometimes otherwise.

We have another class to consider, viz. : The young men who desire to know what to know ; how to get to know ; how to know that they know what they think they know ; and what they ought to know before they feel confident that they really do know anything about accounting.

In Europe and on this continent there are innumerable schools and colleges in which are taught all the branches of a commercial education, but it is seldom that the teachers have practical experience in commercial matters, consequently the pupils learn an immense quantity of disconnected theory, which they are unable to apply to the practices of real life.

The Institute of Chartered Accountants of Ontario is designed to form the missing link in this respect in Canada. We have not here any organization of the Boards of Trade, similar to the Association of the Chambers of Commerce of the United Kingdom of Great Britain and Ireland (it is a united kingdom as yet, and long may it so remain). This association has promulgated its ideas as to what are the requisites of an education which will enable its members to advance the interests of trade and commerce in the Mother Islands. It is exceedingly desirable that some such movement should be inaugurated in Canada in order that our youth and young men may be practically educated.

The trade and commerce of Canada are of course very different from those of Great Britain and Ireland ; our products as well as our markets are more restricted ; but it is greatly to be desired that our Boards of Trade should fully consider these questions, in order that they may intelligently direct the education of the youth of Canada to greater appreciation of their own country, greater knowledge of its resources and advantages, increased adaptability on their part for the proper development of these resources, and for the increase of the prosperity, comfort and happiness of Canadians.

Whatever form any such movement might take ; whatever knowledge of botany, mineralogy, chemistry, geology, or other kindred sciences might be required, all would be more or less useless without a proper knowledge of the science of economics and accounts.

The Institute of Chartered Accountants of Ontario is ready to give aid in any such movement for the more patriotic, practical and sensible education of the Canadian youth, and we feel certain that the knowledge born of experience, which members of the Council of this Institute possess, would be of inestimable advantage in the direction and examination of those who would be thus stimulated to become useful members of the Canadian community.

There is no situation or occupation in life in which it is not at least desirable, if not absolutely necessary, to have a fair knowledge of the science and principles of accounts. The most eminent Judges pride themselves upon their attainments in this direction. Our most famous and successful lawyers are known for their proficiency in matters of accounts.

The doctor in debt is the one who neglects his book-keeping. The unsuccessful merchant is the one whose accounts are badly kept, so that he does not know how to ascertain from time to time the causes of his misadventures. The successful farmer is the one who keeps a strict account of every field and every animal on his farm—continuously cutting off bad stock and bad methods, and substituting those which demonstrate their profit in cold, calm, undisputable figures. The manufacturer who fails to keep a strict account with every class, every machine and every method of his establishment, finds at last that he has made himself rich with one finger, but has destroyed his capital, his credit and his reputation with both hands.

Each of us is making debits in the Great Book, and will be called to account for the deeds done in the body, so that each one will have need of credits entitling us to the reward of "the Good and Faithful Servant," or to the "Angel's Tear," which will blot out the record of our failings.

These reflections, however, may be deemed foreign to the questions propounded at the opening of my address—some of them may be looked upon as a commentary of "sour grapes";—but let us always reflect carefully before we finally decide in any matter, and therefore I shall answer by circumstances rather than by direct argument.

Is it right for us to be silent when we see the reports and audits of public companies and the financial statements of governments, which are so put forth as to misrepresent or to conceal the facts? I think it is not right, and that we fail in our duty when we, by our silence, aid in deceiving the people. This reflection is, however, tempered by another one. Most of the reports and statements are accompanied by commendatory notices, consequently, until we have a publication of our own, we must be at a disadvantage in respect to any criticism we may formulate, however cogent our arguments or however plain our proofs may be, because, in some cases, our comments would be submitted and neutralized before their insertion. I shall again revert to this subject before I close this address, and in the meantime lead up to its further consideration in due course, by a consideration of our powers, our duties, our strength and our weaknesses.

First, then, the Charter of the Institute enables the Council to "prescribe such tests of competency, fitness and moral character as may be thought expedient to qualify for admission to membership," and the By-laws provide that "three black balls cast by members shall exclude from membership," consequently, from henceforth, at any rate, there should be no fear of the possible admission of persons with weak backs, who will fail in their duty in whatever capacity they may be engaged; incompetency, inebriety, intemperance, dishonesty or immorality cannot obtain admittance.

Moreover, the By-laws of the Institute provide for the expulsion of

persons who, despite the rigidity of the entrance tests, or by reason of deterioration of habits and character, fail in the performance of their duty, either by inadvertence, inexperience, incapacity or want of integrity; therefore the maintenance of high character and the faithful performance of their several duties by the Council and by the members, must keep the membership of the Institute "sans reproche" as well as "sans peur," it being quite evident that if any member is not afraid to be scared or coaxed from the faithful performance of his duties, he must bear the reproach of an ignominious expulsion from the Institute.

There is yet another consideration growing out of our experiences and directing our applications of tests of fitness for admission to membership, viz.: That a member of the Institute must be one who will do right things in a right manner, from right motives, at the right time—acting in the line of the old proverb, "Choose not alone a proper mate, but proper time to marry," it being conceded that the careless jumping of a broom-stick or the forcible abduction of a bride is a manner of wedding now obsolete.

Most of us have made mistakes, either by using the microscope too much, or by overlooking the probable consequences of the transactions brought under our notice, or by allowing personal feeling to guide us, or by neglecting the prompt checking of evils.

It is within the strict line of the duties of an auditor to insist upon the disclosure of the details and of the nature of every transaction, but the performance of this duty should be guided by judgment because circumstances may have occurred or consequences follow making the disclosures unnecessary or injurious.

If a manager has made trivial mistakes, not transgressing any principle, or if an employe has by misconduct caused loss to the company—and if these have been brought to the notice of the directors, who have taken such precautions as will prevent the recurrence of similar offences, much injury and little good might flow from publicity.

On the other hand, if a principle has been violated, and if the directors, having full knowledge, so condone the offence as to deceive the public or the shareholders, or be likely to lead to its repetition, then the auditor has no alternative but publicity or resignation, and as his insistence upon publicity would in most cases mean a discontinuance of his services, the prompt resignation may be the wisest course, because the most likely to bring the directors and manager to their senses.

In all such cases it would be well for all concerned if they pondered the lesson contained in Art. 1053, Civil Code, Province of Quebec: "Every person capable of discerning right from wrong is responsible for the damage caused by his faults to another, whether by positive act, imprudence, neglect, or want of skill."

It is just such things as these which teach our Council and our members the wisdom of right actions from right motives, and show the great importance of selecting, as members, men of good manners as well as of good principles, in order that we may have the commendations as well as the

confidence of the financial world. Whilst we continue to confine our membership to those who "know the right" and "knowing dare maintain," it behooves every one of us to follow the example of the man who prayed that he might ever be right, because he always found it so very difficult to acknowledge that he was wrong.

Let us then review the strength as well as the weaknesses of our position. The latter that we may gradually eradicate them; the former that we properly use and increase it.

Our strength is—First, we have every power and opportunity of selection. If we make a mistake in selection, or if a member deteriorates, we have the power of expulsion. If any member is tempted he knows the penalty of any offence, and he knows that it will be enforced. Consequently we say we have the power of earning the confidence of the public.

Second.—We know that we are not selfish, because we unite, not only in mutual improvement, but in the instruction of associates and associate-students, many of whom look forward to full membership so soon as they are competent and gain sufficient practical experience to enable them to enter the field as active competitors for public patronage; therefore we are entitled to the commendation of the financial world.

Third.—We tell our associate-students that they must be, and must continue to be animated by right motives in order that they may not be successfully tempted either by their own weaknesses, or by the erroneous suggestions of employers, or by the contradictions of those who may differ from their opinions.

Fourth.—We press upon our associates and associate-students and upon all applicants for membership, the importance of tact and good manners in order that they may attain by their "*suaviter in modo*" those reforms which might be refused to their "*fortiter in re*"—showing that their opinions and actions are based upon sincere conviction, and not from either obstinacy or any idea of personal infallibility.

Above all we have it thoroughly understood amongst our members that,

"Because right is right—to follow right"
"Were wisdom, in the scorn of consequence."

Therefore, we are able to confidently assert that the public, the managers of incorporated companies, the officers of municipalities and the members of the various governments, cannot afford to be without our certification of their accounts, because, although their affairs may be well conducted and properly stated without our certificates, yet the probabilities are strongly against them.

We are able, confidently, to assert that those book-keepers and accountants who do not join our Institute are either too selfish, or are afraid to submit to the test of efficiency, or that their habits and moral character are such as to demonstrate their unfitness for admission to membership.

We are able confidently to assert to the young men of the country, that it is their duty as well as their interest to become associates or associate-

students of this Institute, and to live as they ought to live in order that they may prosper in all their undertakings.

I have already given one set of reasons why we should not openly criticise the published statements of governments, municipalities and companies,—and why, if the newspapers and financial journals fail in their duty or misrepresent our notices, we should quietly rest contented. Let me now add another, which is this : One good life is worth a thousand precepts—one good example is worth a million denunciations of evil. Let us then, neither omitting the “precept upon precept,” nor the “line upon line,” set such examples and live such lives as will convert and convince our detractors that our directions, our supervisions, our audits and our certificates are of such great value that *they cannot afford to be without them*. Then the day of aunts and uncles and cousins and nephews and nieces, and Tom, Dick and Harry as auditors, will be forever over.

Here, then, is our main strength. This will be the secret of success in conquering all opposition and overcoming all neglect. Not so much because of the fear of our adverse criticism, as because of the desire and necessity for our commendation, concerning which it will be said :—

“Without it you may be right—with it we know you to be right ; without it the presumption is against you ; with it the certainty is in your favor.”

We are entering upon a new era, travelling by a new path, and working under new auspices. Let our associate-students thoroughly understand that they must so live that they may grow in wisdom and in stature and in favor with God and man.

Let it be thoroughly felt that to be an associate of this Institute is of itself an honor, and an incentive to a good life, because our members truly and conscientiously feel and act upon their responsibility of good example and practice.

Then will the public at large acknowledge the unselfishness of our motives, approve the purity of our actions, endorse our criticisms, support our contentions, subscribe to our funds and insist that every clerk, book-keeper, accountant and auditor shall be connected with our Institute.

Then for all connected with our Institute we may trustfully and humbly hope that when each of us stands before the Great Auditor, we may find such credits earned or granted as will entitle us to the reward of the Good and Faithful Servant.

First Monthly Meeting of 1893, Association Hall, Tuesday, 21st March, 1893, 8 o'clock p.m.

THE PRESIDENT, MR. H. W. EDDIS, in the chair.

The President called the meeting to order and said :

I have very much pleasure indeed in seeing so large an assembly present at our first monthly meeting of the Institute for the current year. It gives us great pleasure to see so many representative men here to-night in response to our special invitation, as the paper which my friend, Mr. Moore, will read to you is addressed more perhaps to the friends of the Institute than to the members.

The object of our charter, which was obtained ten years ago, is not only to raise the standard of accountancy but to accomplish an intellectual and educational movement, and during the last year we have amended our by-laws with a view of increasing the efficiency of our Institute as an educational body. We felt that it was very important indeed that we should do so; we felt we were conferring a benefit to the community, in training up a body of young men by holding progressive examinations, enabling them to become Students, afterwards Associates, and from Associates to become Members, after which the highest rank in our profession will be open to them. I do not intend to make any further remarks because I think you are all ready to hear the paper which my friend, Mr. Moore, will read to you. Mr. Moore is endorsing the paper, which I believe is written by a distinguished accountant in Toronto; and I think it will give you very great interest. And I may say I hope after the address is over you will all give us the benefit of your views upon the subject.

Our object is to benefit the monetary and commercial interests here in training up young men as good accountants; and any advice, any assistance or any hints you can give us enabling us to carry out the objects we have in view, will be most cordially received.

With these few words I shall ask my friend, Mr. Moore, to read the paper for us.

MR. MOORE.—The notices that were sent out were slightly misleading; they make the statement that a paper would be read by Mr. Moore, which might also suggest that Mr. Moore might be the author of it, but I am very

glad to say that the paper is by a much more eminent author than myself. Mr. Henry Lye is the author of this paper, and he has done me the honor of asking that I should read it to you.

(Mr. Moore read Mr. Lye's paper on "the Aims and Operation of the Institute.")

THE PRESIDENT.—You have heard this address of Mr. Lye, and we are now waiting to hear the views of many of our friends here. I see the Board of Trade is very well represented by the Vice-President; the Collegiate Institutions of this country are equally well represented by the Principal of Upper Canada College; our financial corporations are represented by the Chairman of the Finance Committee of the City of Toronto; the Loan Societies and others are represented by Mr. Walter S. Lee, and we have the newspaper element represented by Mr. Hedley of the *Monetary Times*. As I said, we wish you to give us all the hints and assistance you can to enable us to carry out successfully the objects for which our Institute has been formed, and I hope we shall now have the pleasure of hearing the remarks of some of our friends who have favored us with their presence.

PRINCIPAL DICKSON.—I did not come here to-night with the intention of making a speech on this subject. I can merely say that so far as the paper indicates the objects and the aims of the Chartered Accountants, I think every one will agree you are moving in the right direction. There is no doubt a general movement, not only on this continent, but on the continent of Europe, towards raising the standard of commercial education, especially the preparatory standard—the standard of education before one enters upon the study of commercial problems and book-keeping. I had the good fortune six years ago to meet with a number of men engaged in educational work in England, and I learned from them what they were doing. It appears about eight or ten years ago there was a sort of scare over the whole of England at the condition of affairs there. They found that foreigners were usurping the places that should be held by Englishmen. The foreigner came into England with a knowledge of the modern languages of Europe, and he was able to conduct the correspondence and the business in the languages of the countries with which the various houses had commercial transactions. In addition to this he was not only an all round scholar, a good mathematician, and probably had a good grounding in elementary sciences, but he was a good practical accountant. These men were trained on the lines of the German schools, which are all, of course, famous for their theoretics.

This movement began, I say, about eight or ten years ago. I was over in England three years ago and met some of the same people; and I found out then what they had been doing. It appears they thought they had perhaps overdone it a little, and they were adjusting their various curricula to suit the requirements of the times. And I see quite recently the London Chamber of Commerce has taken the matter up and they have set a standard of education, a standard of preparation for commercial work; and they have handed the examinations over entirely to the College of Preceptors.

I saw a set of examination papers quite recently ; a set, I think, that was submitted last summer—the first set, I believe, prepared by the College of Preceptors in England. That induced me to enquire somewhat into what could be done here, and I had some talk with business men here ; and I hope the Chartered Accountants will help a movement of that sort in this country. I thought at first it would be well to ask the Chamber of Commerce to send out their examination papers here in trust to some one, so that all the schools could send up their candidates for examination ; but on consideration I think perhaps that is not the best course to take. I think the practical business men in this country are the best judges of what the standard of business education should be. I think it would be unwise to start out on that line ; that is, to allow business men in England to say what the standard of business education for Canada should be. I believe there are men here quite competent to set that standard.

What I am more immediately concerned in is the preparatory work—the training of boys in a general way to become good practical business men. That is part of our work.

I will never forget what a teacher in one of the great public schools told me when talking to him about the subjects laid down in their curriculum in his school for commercial work. I told him our schools here and our commercial colleges did not impose the languages, nor algebra, nor euclid, nor the study of physics to the same extent they did. His reply was, "If you build up a boy on the standard of arithmetic, writing and book-keeping, you will make nothing more out of that boy than a hundred-pound man ; there are plenty of them now ; the market is over-crowded. What we want is to build up ten thousand-pound men ; they are scarce. It is not right to begin the training of a clever boy on so narrow a foundation as that."

I thought there was a good deal of truth in what he said.

ALDERMAN BERNARD SAUNDERS, Chairman of Financial Committee City of Toronto.—Mr. President, I can only say to you that I feel doubly repaid for my visit to you, and I also feel that we are deeply indebted to Mr. Lye for the very able paper he has given us ; and are also deeply indebted to Mr. Moore for his able reading of that paper. With reference to Auditors, I am glad to see among your members the City Auditors here to-night. I wish to say now that the City Auditors in the discharge of their duties are independent of anybody that is about them. They can do as they dare, and I am very pleased to say that our Auditors for the City of Toronto do as they dare. They are not afraid to point out to the Treasurer or to myself, as the Chairman of the Executive Committee, anything that they consider irregular or not done in the right way. While on this subject, I am very glad to be able to say that we have had some little experience in that way. As you recollect, our Treasurer, who is here to-night, had to undergo an unpleasant ordeal in connection with financial matters as to his guardianship and protection of the city's interests financially, and although the man who made the charges of irregularity had been watching him for over four years, he could

not discover one solitary wrong thing done to the City of Toronto in that connection. (Hear, hear. Applause.) That of itself shows the value of Auditors.

In the matter of auditors' reports in connection with societies, I am pleased to find that our legislature has made the directors personally responsible for any improper reports sent to their shareholders. And I think we might move in that direction and have it provide that all auditors of such companies should be members of the Institute of Chartered Accountants of Ontario.

I am exceedingly pleased to notice in the paper read that you intend to make your institute educational in its operations. At first I thought it was more of an admiration association, where it would be of no value to the public, though it might be something to yourselves. But when you make it educational and say to the young man, "Come in and we will put you right, you will pass your examination and then become one of us," your association is then of value, not only to these young men, but to the world. We who have passed through commercial life know that there is nothing so valuable to business men as a faithful book-keeper. I have heard men (I have had to battle against it) say, "Oh, any tom fool can do that; you can get a boy for three or four hundred dollars a year," and at the same time they would raise a drain digger up beyond the man that is doing the book-keeping of a department. It is in the hands of the Institute of Chartered Accountants of Ontario to teach the people different views.

From those who have wholesale establishments down even to the lowest class of establishments, they ought to know the value of book-keeping.

I did not expect to be called upon to speak on this matter to-night and I do not think I should detain you longer, but I wish, before I close, to express my high gratification with the paper read, and to say that I have enjoyed the reading of it very much.

MR. WALTER S. LEE, Manager of Western Canada Loan and Savings Co.—Mr. Chairman, I can only endorse all that I have heard said here by the two gentlemen who spoke before me. The paper is indeed a very able one and has touched upon a good many points, probably some of them open to discussion; but there is one thing we are quite certain of, that we will all agree upon, and that is the necessity of an institution such as this. There is no doubt, if it goes on, as it has gone on in the past, that it will do its work, and that the auditing and system of book-keeping of this country will be largely under its direction. The members conducting these reforms must understand that we cannot make the change all at once. You have to educate the people up to the requirements, and then you have to get rid of those who have been in the positions before. It is well known that even at the present date there are a large number of auditors who are as good men as you can perhaps put through your institution, men that have had large practice in mercantile and commercial life, who have taken up auditing as a profession; and who have not as yet joined themselves with you; who, perhaps, may in the future join with you; or who, perhaps, are

getting up in years and do not wish to join. Yet these men are good men, and are in positions, and you could not turn them out at once just because they do not belong to a certain institution.

Most of the large institutions here have been provided with auditors who have been for some time under their employment ; and I, myself, can say, from attending this institution once or twice before, and from knowing the class of men that have been turned out from it, that I feel it would be good for all institutions if they were entirely under the charge of men who have graduated from it, and who have the diploma of the Institute of Chartered Accountants of Ontario. It is a system that is largely carried out in the old country. Any accounts coming from the old country, more especially from Scotland, you will find always are authenticated by some licensed person from some institution similar to this. They are nearly all authenticated by them. And I felt the importance of this so much in an institution which I preside over, that I have had to make a commencement, and while I couldn't exactly see my way to replace two old and tried servants, I supplemented their services by adding one of your chartered accountants to my audit ; therefore I have three auditors instead of two ; and perhaps after a while these gentlemen may go into another field and then I will have all my auditors from your Association, I hope. But I felt so strongly that last year I added one auditor from your body, and the last audit has been signed by the three auditors. I have just mentioned that to show that you must not think the people are not appreciating the work you are doing, but only to call your attention, from practical knowledge, to the fact you must not do it hurriedly, or too quickly. I agree very much with what Mr. Dickson has said here in relation to the teaching of book-keeping ; you require more than the mere rudiments ; you require more than double and single entry with your clerk or official. You want one with good attainments, with good general knowledge, because there is a kind of almost freemasonry in all institutions ; the peculiar system of book-keeping, perhaps, of my institution would not suit Mr. Hamilton in his wholesale boot and shoe business. And perhaps, for example, the books of a bank would not comply with the requirements of my institution. But although there are these differences of books and systems, we require men who can, from knowledge gained, put our books in the way that they will be worked on the most advantageous plan. That is what we want.

We do not expect the manager of an institution to be able to lay out everything himself. He may, perhaps, have been brought up in a different school, and he may know what he wishes done ; but perhaps he is not as smart at putting that in order and putting it in the right kind of book-keeping as a more experienced book-keeper who has been trained under the more experienced tuition of the present day would be. That is the reason I say you must remember that we all appreciate what this Institute of Chartered Accountants is doing, but we have not all fallen into line as yet.

I am very glad to have been here and to have heard what has been

said ; I must say, as far as I am concerned, I would like to see the auditing of all institutions done by people certified to by the Institute of Chartered Accountants of Ontario.

MR. HUGH BLAIN, Vice-President Toronto Board of Trade—Mr. Chairman, I have come on at that period of the discussion when I can say I can endorse what has been said by the other speakers. I do not know that I have got very much to say in addition. There is no doubt it is a very important subject, and a very important matter for business men. And there is no doubt but an institution such as this is of great value to the commercial community. We want such an institution as this ; we require to be educated. The great majority of our business men to-day are not accountants—never were ; and I doubt whether they are capable of understanding the work that is done in their establishments. That condition of affairs has arisen, no doubt, by the peculiar conditions of a young country ; but that cannot possibly remain in the future. We must look forward to the time now when owners of large establishments must be men who have cultivated habits and who understand accounts.

It is out of the question to suppose that in this age of rapid advancement we are going to be able to succeed in the struggle of commercial life without a first-class commercial education. Whatever may have been the possibilities heretofore, in the future it is going to be utterly impossible for men to rise in commerce without being thoroughly educated. And I quite agree with Principal Dickson when he says that the foundation of that education must be broad. It must embrace greater study than has heretofore been considered essential for a commercial education. Mathematics, such as geometry and algebra, and also a knowledge of the modern languages, are going to be absolutely necessary. I assure you, sir, it is a question which the Board of Trade should take very active and very earnest, and also, I may say, a financial interest in pushing forward (hear, hear) with the members of an organization such as this. They are peculiarly dependent upon the business morality and the business ability of the whole country. We are resting upon the moral business character of the whole country.

Our means are distributed all over this country in the hands of business men ; and it is only by creating a business intelligence, such as your organization aims at, that we are going to be able to feel that our money is safe in the hands of such men. (Hear, hear.) I am quite satisfied that when the time comes for the Board of Trade to join with the educational institutions of the country, such as the Upper Canada College and the Chartered Accountants, in establishing a system that will insure an education of this description, you will find we will be very glad indeed to co-operate with you.

I do not know that this way of discussing the matter is altogether in order, as I understand from you, Mr. President, we were to discuss the paper that was to be submitted here to-night. I hardly feel competent to take up that paper upon such short notice. It is very comprehensive ; it is written with great subtilty ; it is an admirable paper. (Hear, hear.) I have great

pleasure in congratulating the writer of the paper upon the character of the document he has produced, and I am also to be allowed to congratulate him upon the selection of the gentleman who has read the paper to us to-night. (Applause). The reader has succeeded in doing good justice to the document that he has submitted to the meeting.

I do not know that I am able to criticise the document, as I said before, but it seemed to me there was one recommendation made in the article that I hardly understood. Perhaps I may have misapprehended the meaning of the matter. I understood that there is a recommendation made there that when an auditor comes in conflict with the institution for which he audits, instead of giving publicity to the fact that it is not strictly in accordance with what is right, and therefore get himself into trouble, that he should send in his resignation. It struck me at the time I did not altogether like the moral that that contained. I think if an auditor discovers in his work that the institution that he is working for has not its accounts in proper shape and has not done what is right, it then becomes his manifest duty to expose that to the public, even at the risk of being discharged. (Hear, hear). I do not think he improves his position by resigning and giving some other person who is less scrupulous an opportunity of covering up what he has discovered to be wrong. With that one exception I have great pleasure in endorsing the character of the paper that has been submitted to-night. (Applause).

MR. HEDLEY, Editor *Monetary Times*—Mr. Chairman, your invitation to me to be here to-night was a very welcome one and I am more than glad that I came. Any one who knows Mr. Lye would expect that when he prepares a paper of this kind it will be a beneficial one and it must be an interesting one. But I must say now that Mr. Moore's reading of it has made it even more, he has made it pleasureable.

A VOICE—Did you say he had made it "Moore"?

MR. HEDLEY—Did I make a pun? With Mr. Eddis in the chair I would never attempt such a thing.

Well, Mr. Chairman, I am bound to say this, that Mr. Lye's paper has certainly taken a very high stand and has imposed a very high standard upon the Institute of Accountants; if you can keep up to the mark that he has set I think there can be no question as to the impress that you will make upon the community. As I think the statement of the aims and objects of your Institution puts it, that is your object—the object of the Institute is to raise the standard of accountancy. Very good. I think you have raised it pretty well. What I should like to see done by your Institute or by any other means that is practicable or attainable would be to get into the heads of commercial men generally throughout this Canada of ours better book-keeping and a better understanding of accounts and a more regular and systematic attempt to keep accounts. I am sure many of the merchants here who are familiar with such matters will back me up in saying that there is a very serious lack of practical, intelligible book-keeping—book-keeping that tends to let a man know where he stands, or let his creditors know where he stands; there is a very great lack of that among the country stores and traders of Canada.

In reference to Mr. Blain's remark I desire the opportunity of saying that I think he must have misunderstood that portion of Mr. Lye's paper which says it is a man's duty to resign under certain circumstances. It is not like Mr. Lye to say that, and my recollection of the paper is not quite like Mr. Blain's.

MR. MOORE—The paper puts it, "If he had to choose between subscribing to a wrong thing and resigning, he should make his choice." It was a matter of choice between subscribing to a thing which he felt was an incorrect way of stating facts, and resigning.

MR. HEDLEY—Another matter to which I wish to refer is this, there was something said in the paper about the Institute making application to merchants in a financial direction. Does that mean it is about to solicit the merchants to join the Institute, or what does it mean?

MR. MOORE—It means asking them to become subscribers for the purpose of promoting the objects as set forth in this paper, becoming outside patrons to that extent, and assisting its objects by means of financial resources to carry out these objects.

MR. HEDLEY—Their becoming subscribing members in that way would not subject them to any test of examination, for instance, at the hands of the Institute itself.

MR. MOORE—No.

MR. HEDLEY—I beg to add my congratulations to those Mr. Blain extended to Mr. Lye and to the Institute for this very admirable paper, and to hope it may be beneficial to a still larger audience than we have here. (Applause).

MR. W. B. HAMILTON, Director Canadian Bank of Commerce—I did not come here to-night with any idea of speaking at all on this subject or on any other question. I am quite prepared to say there is a necessity of qualified book-keepers, which is more than apparent to any person in business. I have myself had some forty years experience in Toronto, and had some little chance to see book-keeping in its various phases, particularly the one Mr. Hedley referred to in reference to country merchants and country store-keepers. Any person who has had the misfortune to be interested in a country store-keeper who happens to go to the bad, will agree with me when I say that such a store-keeper's books would show sights that would cause the uninitiated to open their eyes very wide to the necessity of very great improvements in the line of such book-keeping.

I think if the Institute's intentions are to get young men looking forward to become book-keepers, with a view of training them, it is a very good thing, a very good feature in its plans for management.

I regret to say that a great many people undertake to keep books who do not know anything at all about book-keeping. They have not had a proper training at school, and afterwards, just when they go into subordinate employment in offices, if the Institute makes arrangements to have some kind of classes to give them a chance to improve themselves and enable them

to come forward and be examined and pass as competent book-keepers, the Institute will be doing a very good work—I think one of the most important works they can devote their attention to.

I will now close my remarks by wishing the Association of Chartered Accountants every success. I am very pleased to be here to-night, as I have once or twice before, and if possible I shall try to come oftener.

MR. J. J. WITHROW—Mr. President, it seems to me only two or three evenings ago since I had the pleasure of being at your inaugural meeting.

It does seem to me this is a very desirable place for young commercial men to be. I will not have anything to say to the paper itself, because I feel like sitting at the feet of the men I see here. I appreciate the work that has been done here; I believe it to be of the class that young men—and young men in this community range from sixty down—that anybody here like myself who is growing up, might come in with the other young men.

I do think that in an Institute presided over by young men like your President and Mr. Moore and others I see around me, there will be no trouble in the future in providing the class of accountants that are necessary.

A good deal has been said, or is said in the paper, on that business of auditing, and it does seem to me that the audit with the addition of two or three letters to the end of a name, in time will be an indication that the audit is a thorough one. I think it is even appreciated now that a first-class auditor will have to get those peculiar additions before he can undertake to do this kind of work.

MR. PAUL CAMPBELL, of the firm of John Macdonald & Co.—Mr. Chairman, Mark Twain was once called upon to make a speech. He promised he would not say anything. He did not go far, however, before he had to apologize. The trouble with me is, I am called upon in the same manner, but I am afraid I shall not have to apologize.

This is the first time I have had the pleasure of being present at a meeting of this Institute. I am glad I am here to-night because I can assure you that the reforms advocated by Mr. Lye's admirable paper are very much needed. In regard to young lads in offices, the trouble is that they want too hastily to get positions for which they have not fitted themselves, and to get their salaries improved. And in regard to merchants they are too hasty to get rich.

In regard to young lads, Principal Dickson says they want to be pretty well educated when they seek situations in the wholesale houses. I believe that this Institute is going to give to young men knowledge that they want, and after they have the knowledge they want, to have self-reliance; that is very much wanted. If you could teach them self-reliance, and to be able to apply their knowledge after they have obtained it, your Institute will indeed be doing a great and grand work. I have noticed that young men who obtain situations in wholesale houses or places where promotion might be had, are very often able only to do the work that is required in the positions they occupy: what they want then is to have knowledge beyond their present occupation, because merchants and business men have not the time or

inclination to educate them for higher positions ; they therefore must be properly fitted to occupy the higher position if a vacancy occurs, and I think this institution is doing admirable work in endeavoring to go beyond the rudimentary qualifications with their young men.

The previous speakers have gone over the ground so much that it is not necessary for me to continue ; but speaking about book-keeping in regard to country merchants, the trouble with most of them is not bad book-keeping, but because they have no book-keeping at all. When a man comes to see our friend, Mr. Blain, and wants to compromise at ten cents on the dollar, he has no books at all ; he says, " I don't know what has become of them." So if you can teach them even bad book-keeping, you will have done something towards eventually having good book-keeping done by our friends the country store-keepers.

MR. HENRY LYE—Mr. President and Gentlemen.—I wish to explain that the various opinions and statements in the paper read by Mr. Moore are those which have been expressed and set forth by the various members of the Institute on expressing their ideas of what this Institute is, what it ought to be, and the standard which we have to maintain.

When we looked over our By-laws last year, we found that they did not furnish machinery for the proper carrying out of the views entertained by the gentlemen who were interested in obtaining the Charter ; consequently a committee went to work, with Mr. Martin as chairman, for the revision of those By-laws. They now provide for affiliation with the Institute by Commercial Colleges and other Educational Institutions. They provide for the admission of Associate Students, that is, young men who are beginning their commercial education and want to know what studies to follow. They provide also for the admission of Associates, that is, young men who are following book-keeping and who want to know how to reform their methods or adapt them to circumstances ; or how to make progress in the profession. They do not admit, from this time forth, any person as a full member who is not fully proficient as an accountant. I think these are the main changes in those By-laws, but in order to let the public know what we are and what we are doing, we found it necessary to set our views before the public at large ; the task was deputed to me, and I have endeavored to do it. I am very glad indeed to see such a good representation of our citizens here to-night, and I hope they will have different feelings in respect to the Institute from this time forth from those which have heretofore been entertained.

It has been generally supposed this Association was based on somewhat similar principles to the Association in Montreal, which is practically a close corporation, having a special charter from the Quebec Legislature, and the members of which, as a body, have no educational ideas in their mind at all. Our Institute is not formed for the advancement of personal interests. I think you may say for every member of the Institute that his character is so well known, and he is so well established in his business, that it is not necessary for him to lean on any institute. And I think we may say

for each one of them that they have joined together for the purposes that have been set forth, because they feel that they give honor to the Institute, and the objects of the Institute give honor to them. I should be most happy, indeed, if the paper is so circulated and so considered and read as to advance the interests of accountancy in this Province.

I wish to correct an erroneous impression which I have noticed on the part of wholesale merchants. There are a large number of Commercial Colleges in Canada; these Commercial Colleges are full of young men who have gone there for the purpose of learning something about book-keeping; they go to learn to write and to spell and to keep books, and they are sent by persons who desire that they should really learn, by persons who desire that their accounts should be properly kept. These young men stay two or three months at a Commercial College, and then they go home and commence book-keeping. Before they know where they are they have struck some difficulty about trial balances or stock-taking, and one of the natural consequences is that the inventory is not taken, or it is not added up, or it is not properly entered into their accounts, and when the book-keeping comes to a conclusion everything is confusion, and the merchant and book-keeper both become discouraged. But I think if the wholesale merchants will insist that their country correspondents shall not only keep accounts, but shall have their book-keepers show the certificate of the Institute of Chartered Accountants of Ontario, as being either Associates or Associate Students, they will have this to depend upon—that those who are attempting to keep these books are desirous of keeping them properly, are of good moral character and are persons who will not only try to do their duty from day to day, but will try to fit themselves for their duties as these duties progress and increase.

MR. WILLIAM ANDERSON, City Auditor :—Mr. President, it is very gratifying to the members of the Institute to hear words of kindness and encouragement and commendation from the leading representative men of our city, of our business houses, and of our educational institutions. I have risen for the purpose of moving a vote of thanks to the Author of the paper which has been read, and I think I express the wishes of the members of the Institute by also moving that the paper be printed for distribution.

MR. H. S. STRANGE, Chartered Accountant :—Mr. President, I should just like to say a few words on one subject that I believe all the speakers have overlooked, and that is, the desirability of our Institute having a paper of its own. At the present moment it is impossible in Toronto to get, from a competent critic, an article inserted in some of our papers. All of you must have noticed within the last few months the numbers of balance sheets and profit and loss accounts which have been presented to shareholders in public companies, many of which, it was plain to all of us, were very misleading. I tried the other day to get an article inserted, and the reply I received was, "the advertisements are our bread and cheese!" Therefore, if we are to raise the standard of the Institute, we can do it very materially by having a paper of our

own—we can do more or quite as much as by educating the younger members. I take this opportunity of reminding the gentlemen present of that point in Mr. Lye's paper, which I think has escaped their notice. I have great pleasure in seconding the proposition moved by Mr. Anderson, and I am sure every member of the Institute is grateful to Mr. Lye for the time he has given and the trouble he has taken in preparing this paper ; and I know also that the members of the Institute are particularly glad that Mr. Moore has been kind enough to read that paper, and I, therefore, with very great pleasure, second the vote of thanks.

MR. J. T. MOORE, F.C.A.—I want to express the satisfaction I have had this evening in reading this admirable paper of Mr. Lye's and in hearing the addresses which have followed. I desire to assure those gentlemen who have favoured us with their company to-night that we appreciate very much indeed their presence with us, and the sentiments they have expressed ; we hope they will get a good clear grasp of what the scope of the Institute is. I think Mr. Blain got it when he said that the men to whom we trust our money ought to be men that have the ability and the integrity to take care of it—have the ability in the first place to handle their accounts properly, and then the integrity to take good care that what they put down in black and white is exactly what it ought to represent ; and if the Institute of Chartered Accountants, with the co-operation of the business men, can inculcate the principle that accountancy is something that must be handled with the utmost correctness, that it is a profession of the greatest dignity, that it is one that ought never to be smirched in any way, that it is worthy the best effort that a man can put into it, and that no man should drag in the dust the business that he follows—if these truths get inculcated there will be a very marked change, I can assure you, in the trade of Ontario. I believe many people, perhaps from ignorance, hardly realize the magnitude of the crime they are committing in falsifying a figure. Sometimes stupidity and incompetence border upon the criminal. But first let men know what they ought to do and then let them respect that thing which they ought to do so much that they will not vary from it a single hair's breadth, and a great deal will have been done to stop the bad debts that are being contracted throughout the country.

That point which has been referred to by Mr. Strange is a very important one—the discussion of these annual statements. I am sure that every man that is an accountant has had his soul vexed within him as he has looked at what purported to be a statement, a showing, of the affairs of companies, and he knows they are very skilful indeed in not showing what some people suppose they show. I am perfectly certain of that. But here is the advantage of coming together as accountants and talking over the best method of reforming a thing that may be wrong. I would not hold to the opinion that the best way would be to get a paper and bludgeon these people into our way of thinking. I would not believe in that at all. I would believe rather in the method of getting such constitutional changes in the internal economy of the concern as would involve a better method, a better

system, and better results ; and the Institute can only hope to accomplish its purposes when men that are competent and thoroughly skilled have been placed in these different positions where they have the power to have statements represent just what they ought to ; that is the only way in which you can hope to bring about a revolution which will be a very great one. It is not right that statements that are issued to the public should be so successful in concealing rather than disclosing the true state of the institution from which they are issued.

Then what has been referred to as the advantages of the diffusion of education cannot be over-estimated. Men live so short a time that if they have a good thing to impart they ought to impart it. I like the spirit of Mr. Lye's paper, because there is none of the spirit of the close corporation about it. If there is anything a man can do better than anybody else, if he can possibly leave that as a heritage, let him leave it to the uses of humanity. If there is a shorter cut to the right conclusion, and you are economising time, then you are, in another form, causing two blades of grass to grow where only one blade grew before ; and therefore, the approved methods of men having the courage to blaze out a new road for themselves, are invaluable to us ; because I say that an accountant, when he rises to his true position, is a man who dares to be original. Such a man will mark out for himself new forms and new methods, because he finds they answer his ends, economise his precious time, and summarize his results. Everybody knows what a valuable thing a good form is. Plenty of people are slaves to the miserable forms that are causing them to do a maximum amount of work, wasting their time, and are very largely useless ; therefore, that which would seem a trivial thing in itself is something, which, when added to other trifles of the same kind, produces, in the aggregate, that ten-thousand-pound man of which Principal Dickson spoke, as contrasted with the one-hundred-pound men who trudge along with pain and trouble and never amount to anything ; therefore I say that the boys have to be well educated. I agree with that sentiment of Mr. Blain's : "The men of the future must know accounts." Sir Joseph Hickson would never have been Sir Joseph Hickson, and he never would have been the manager of the Grand Trunk if he had not been one of the most expert accountants. He came to this country because he was such an accountant, and because he was a capable accountant he rose from step to step until at last he was the chief executive officer of that great corporation. Lawyers cannot do without being accountants. What a fix a lawyer is in who knows nothing about accounts ! What a spectacle he presents ! Or the judge on the bench who is adjudicating on matters of intricate accounts and has got himself so lost that nobody can find him. Lawyers must have it, judges must have it, merchants require it, ministers need it—they are better for it. There is no walk in life wherein a man can say, I can dispense with it. He requires it in his own personal estate, if he never entered upon business at all.

I want to express my thanks to those who have given this evening to this subject, which I believe is of the most practical importance ; it means

so much to this country, to the business and to the homes and the comfort of families in this country—this very thing of accountancy upon which we are meeting to-night ; therefore, I say to the Board of Trade, to our financial journals, well represented here, to our large mercantile establishments, join hands with us, and let us, by means of the sinews of war which are required to carry forward any good work, lock hands and see if we cannot elevate the accountancy of Ontario to a higher place than it ever occupied in the past.

MR. EDDIS.—I am quite sure I am endorsing the feelings of all present in stating the great pleasure which we have had, not only from Mr. Lye's paper, but from the remarks that have followed its reading. I may mention that we hope before very long to have a local habitation in our own name. We are looking out for a permanent abode in Toronto ; we have a committee now engaged in selecting books for a permanent library, which of course will be a considerable expense to us, and we earnestly hope by all these means we shall be able to carry out successfully the object we have in view. And I now put it to the meeting that the vote of thanks be given to Mr. Lye for his very able paper, and I am quite sure the meeting will be unanimous on that point.

The vote was received with applause and declared carried.

MR. EDDIS.—Mr. Lye, allow me to present you with the thanks of this meeting for the very able paper which you have prepared, and which has been read here this evening.

MR. LYE.—It is not necessary for me to do more than to thank the gentlemen present for their kind attention to the paper read to-night and the discussion following the reading, and to thank them for their very hearty response to the vote of thanks.

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